



# Trustees' Annual Report 2014

1<sup>st</sup> January 2014 to 31<sup>st</sup> December 2014

## Fly The Phoenix

Registered Charity #1148531 in England and Wales

for

## The Phoenix Projects

[www.thephoenixprojects.org](http://www.thephoenixprojects.org)

Submitted by the Trustees

On 22nd April 2015

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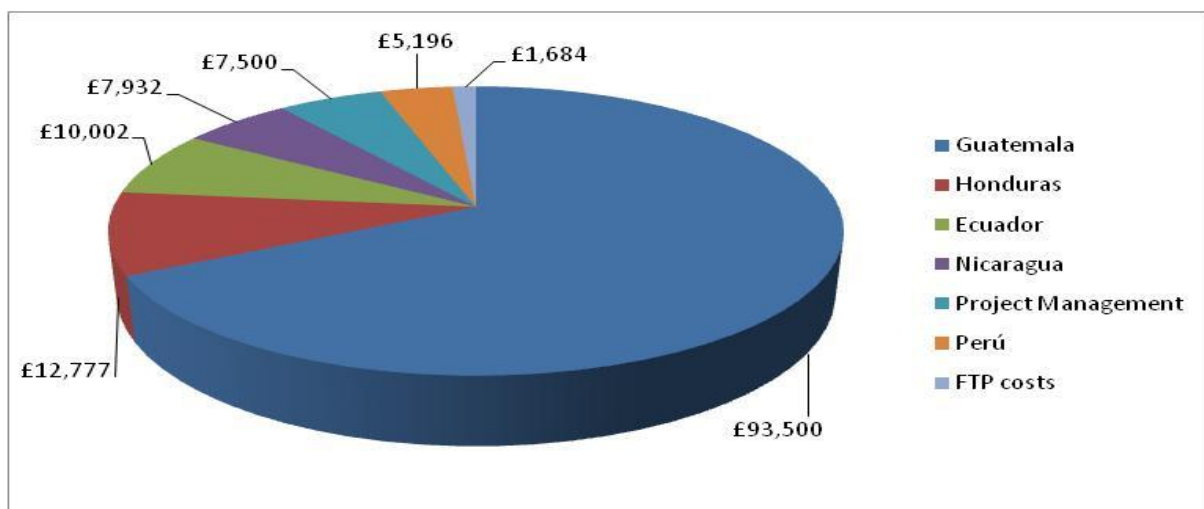
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### 1.0 Executive Summary

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The Phoenix Projects are a non-profit-making organisation that believes education, daily food and employment opportunities are basic human rights for those who live in extreme poverty and have spent the past twelve years promoting these rights in Guatemala, Honduras, Nicaragua, Ecuador and Perú. We have started new schools as well as implementing sustainable income-generating plans in the communities where we work.

During the financial period between 1<sup>st</sup> January 2014 and 31<sup>st</sup> December 2014, £144,641 (2013 - £127,956) was raised through our charity Fly The Phoenix of which £138,590 (2013 - £125,683) was spent on the operating costs of The Phoenix Projects including local teachers' salaries, daily food and fruit, transport, educational materials, construction and implementation of sustainable income-generating plans which should benefit over 200 families in 2015. This provides local employment and over the next ten years should grow to the point where the communities themselves completely finance the projects, with a target of 20% financing by the end of 2015.





## 2.0 The Phoenix Projects in Latin America

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Fly The Phoenix is the registered charity for The Phoenix Projects which are based in Guatemala. With a basic annual budget of £131,000 work in Guatemala, Honduras, Nicaragua, Ecuador and Perú is undertaken promoting full education, food and employment. We run our own schools and support others whilst starting sustainable income-generating plans to create employment.

The Phoenix Projects aim to provide daily education, food and fruit to over 1,000 children and teenagers each year in primary, secondary, college and university by employing 40 local teachers and providing sustainable means by which all the children can continue their further education whilst also investing in sustainable income-generating community initiatives which will help pay for the schools in the future.

## 3.0 Message from the Trustees

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2014 has been a definite turning point for The Phoenix Projects and a very special thanks must go to all our donors to our charity Fly The Phoenix. With forty local teachers (the majority of whom were once our students) now permanently employed, coupled with an additional twenty people directly employed through the schools, the educational journey ahead for 1,000 children and teenagers across Guatemala, Honduras, Nicaragua, Ecuador and Perú moves a few steps further ahead.

The sustainable income-generating plans we have started to put in place this year and during 2015 should financially benefit around 200 families as well as helping to cover 20% of the projects' costs. This is the first phase of handing over fully sustainable schools to the communities.

In 2015 we will be putting more emphasis on sustainable plans including small businesses aimed to help graduating primary school students with their further education costs as well as employment opportunities.

We hope that this year, through donations, we will be able to cover all the projects' costs and invest in many more sustainable income plans that will be the future of the projects and the communities.

Thank you.

We, as the Board of Trustees, approved this report on 22nd April 2015 and it has been signed by Dominic Williams on our behalf.

A handwritten signature in black ink, appearing to read 'Dominic Williams'.

Dominic Williams

Trustee



## 4.0 Guatemala

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The Phoenix Projects began in Kaqchikel-speaking San Andrés Itzapa, Guatemala in 2002 and expanded into Santa María de Jesús in 2004. Since then we have built schools for children to receive first-time education, provided daily food and fruit as well as educational materials, constructed energy efficient stoves to help reduce in-house air pollution, provided materials to rebuild homes and food supplies after natural disasters including Hurricanes Stan and Agatha, donated fertilizer for family crops, provided food and fruit-trees to the elderly population, reforested tens of thousands of trees and awarded hundreds of scholarships for further education. Our school in Itzapa became official in 2012 and Santa María should become official in 2016. All the teachers we now employ are local, many of whom were once our students and beneficiaries of our scholarship program. We aim to provide the funds for over 600 children and teenagers to receive official education in pre-school, primary, secondary, college and university levels each year.



Fig. 1 – children in Santa María, Guatemala

In 2014 the students in Itzapa achieved a 96% pass-rate with all our sixth grade students graduating primary school for the third year in a row. According to Mineduc (Ministry of Education) 22.5% of children in 1st grade failed the year; just one student failed our first grade.

Construction was undertaken through the year including new classrooms, an underground water tank and toilets in Santa María and the new playground in Itzapa. Teachers' desks were purchased for each classroom as well as smaller desks for the younger children.

On top of daily fruit, breakfasts were introduced in the second half of the year including bread and atol (maize-based hot drink) every morning and will be continued in the schools as crop failures once again make the prospects for food very bleak indeed in 2015.

As well as celebrating the 10th Anniversary of our school in Santa María we also celebrated Independence Day, Mothers Day, Day of the Child and Semana Santa (Easter). 25,000 trees were planted in our reforestation program.

We introduced many sustainable plans during the year, details of which can be seen in section 4.3 below.

#### 4.1 Guatemala costs 2014

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During the financial period £93,500 (2013 - £74,895) was spent as follows: £36,667 on local teachers' salaries, £22,993 on sustainable income plans, £7,756 on construction and maintenance, £6,222 on school running costs including cleaners' salaries and internet, £6,000 on daily food and fruit, £4,550 on classroom materials, £3,307 on rent, £2,844 on reforestation, £1,733 on local celebrations including Mother's Day and graduations and £1,428 on new materials, tables and chairs for the teachers and children.

#### 4.2 Guatemala forecast costs 2015

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For the next financial year we forecast that the basic running costs for Guatemala will be £75,000 including £40,700 on twenty teachers' salaries, £14,700 on daily breakfasts and fruit, £6,500 on school running costs including cleaners' salaries, drinking water, electricity, internet and cleaning products, £4,600 on educational materials, £4,000 on maintenance and rent, £2,800 on Plan Reforestation and £1,700 on special celebrations, including Day of the Child, Mother's Day and graduations.

We also plan to continue investing in sustainable income plans and looking to buy the current land the schools are on.

#### 4.3 Guatemala Sustainable Plans

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We started to introduce many sustainable income-generating plans during 2014 with more investment due to be made in 2015 which will create employment and help to cover project costs.



Fig. 2 – Plan Moo, Itzapa

These include:

Plan Moo - the purchase of cows with the income from milk shared between the family and the projects. Future calves are shared with other families.

Plan Corte - the purchase of a large weaving loom for "cortes" (the indigenous traditional dresses) and investing in training for the women. The cortes will be sold locally with the proceeds being shared between the women and the schools



Plan Nixtamal – the purchase of machines that grind basic maize into the dough needed to make tortillas. Income is shared between the family and the projects.

Plan Pollo (chickens) - the investment in infrastructure and chickens with the income from the sales of eggs (after costs for feed) being shared between the family and the projects.

Plan Huerto (vegetable gardens) - We trialled Plan Arveja China (green beans) in 2012, investing in a crop from start to finish. Poor weather limited the harvest to break-even. In 2015 we plan to trial vegetable gardens.

Plan Reforestation - Since 2002 we have worked with the women's group in Itzapa funding a tree nursery and now producing and planting 25,000 trees a year. The women receive a small income as we purchase the trees each year and they are then planted in the surrounding hills.

## 5.0 Honduras

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The Phoenix Projects began in Honduras in 2004 working on water projects providing running water to rural Ch'orti' communities in the Copán area. Since then education projects were started in San Rafael in 2006 and Barbasco in 2010. In 2008 we started the Phoenix Secondary School and College, paying for teachers' salaries and daily transport as well as materials allowing teenagers and adults from nine surrounding communities – many walking over two hours each way - to receive secondary and college education graduating in "Rural Social Enterprise". We have also undertaken extensive construction at both schools including roofing, toilets and kitchens to provide daily hot food and fruit for the children. We also completed an energy efficient stove project for families in the community. We aim to provide the funds for around 200 children and teenagers to receive official education in primary, secondary, college and University levels each year.



Fig. 3 – walking to the Phoenix secondary school and college in San Rafael, Honduras

2014 started off with some great news. In 2013, the Government ran tests nationally and our school, with averages in the high 80s and 90s beat the average (50s and 60s).

We started to employ four of our college students as teacher assistants to help out across the 6 grades in primary school. As well as paying them a monthly stipend we will also be covering their University costs so that they become qualified teachers. We plan to increase this amount to six in 2015.





After six years of study (3 years Phoenix secondary school and 3 years Phoenix college) we celebrated seventeen graduates in "Promoción Social" - better known as Rural Social Enterprise. They are qualified in community health, agriculture, micro-businesses and much more.

We started planning more sustainable plans during the year, details of which can be seen in section 5.3 below.

### **5.1 Honduras costs 2014**

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During the financial period £12,777 (2013 - £7,025) was spent as follows: £9,886 on local teachers' salaries and teacher assistants, £975 on classroom materials, £800 on food and fruit, £600 on teachers' transport, £367 on celebrations (including mother's day) and £149 on sustainable plans.

### **5.2 Honduras forecast costs 2015**

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For the next financial year we forecast that the basic running costs for Honduras will be £26,000 including £22,000 on six local teachers' salaries as well as six teacher assistants and their University costs, £1,600 on transport, £1,500 on food and fruit, £500 on educational materials and £400 on special celebrations.

We also plan to continue investing in sustainable income plans.

### **5.3 Honduras sustainable plans**

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We started to introduce more new sustainable income-generating plans during 2014 with more investment due to be made in 2015 which will create employment and help to cover project costs.



Fig. 4 – Plan Café, San Rafael, Honduras

These include:

Plan Café - this was actually launched in 2011 by planting thousands of coffee bushes on land in San Rafael. Income from the coffee harvest helps cover some of the costs of the Phoenix College.



Plan Estufa (stove) - the purchase of an industrial stove to start a cooked-food business for the students of the Phoenix college. The food is sold in Copán, the nearest town.

Plan Huerto (vegetable gardens) - various crops to be introduced in 2015 in the homes of the college students and at the school

Plan Tilapia (fish) - work is underway creating deep pools for Tilapia (fish) which will be farmed and sold locally.

## 6.0 Nicaragua

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The Phoenix Projects began in La Thompson, Nicaragua, in February 2009 where we built a school. This was followed with the construction of another school in Alexis Arguello in July 2010. Both projects are located in impoverished rural areas outside the town of Estelí. We have also built energy-efficient stoves and provided secondary school scholarships as well as daily fruit and food programs and educational materials. In 2013, our school in Alexis Arguello was handed over to the Ministry of Education in an effort to ensure sustainability. We aim to provide the funds for around 50 children to receive official pre-school education each year.



Fig. 5 – classes in La Thompson, Nicaragua

In 2014 teaching continued with the kinder and pre-school as well as some reinforcement for the older children and extra help with children with learning disabilities. The Anniversary of La Thompson was celebrated as was Independence Day and Day of the Child. Thanks to one-off donations a new school gate was put on the school in La Thompson. All our pre-schoolers graduated at the end of the year.

### 6.1 Nicaragua running costs 2014

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During the financial period £7,932 (2013 - £10,592) was spent as follows: £7,333 on local teachers' salaries, £270 on daily food and fruit (more food was sourced locally), £267 on teachers' transport and £62 on classroom materials.





## 6.2 Nicaragua forecast costs 2015

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For the next financial year we forecast that the basic running costs for Nicaragua will be £9,000 including £6,500 on two local teachers' salaries, £1,500 on daily food and fruit, £650 on materials and £350 on celebrations.

We also plan to continue investing in sustainable income plans.

## 6.3 Nicaragua sustainable plans

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We are introducing new sustainable income-generating plans which will create employment and also help with project costs.



Fig. 6 – Plan Ciber in La Thompson, Nicaragua

These include:

Plan Ciber (internet café) – the investment in five computers, printers and infrastructure to start the first internet café in La Thompson; before people had to travel to Estelí. Students receive generous discounts for school work.

Plan Restaurante - offering fresh food and fruit drinks to purchase as part of Plan Ciber.

## 7.0 Ecuador

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In 2005 The Phoenix Projects began working in three local Kichwa-speaking indigenous schools in the communities of Huayrapungo, Muenala and Urcusiqui. All above 3000m in the Andes mountains each school had one teacher working across all 7 grades and little access to educational resources. Since then, in 2007, The Phoenix Projects began work with Larcacunga, a community on the other side of Otavalo. As well as providing daily food and fruit and educational materials we have built energy-efficient stoves, employed local teachers and started Plan Ironwoman aimed to improve the diets of pre-natal mothers. Sustainable plans including the purchase of cows (Plan Moo) and guinea pigs (Plan Cuy) which were started in 2009 now help cover further education costs of all the children in the communities. We aim to provide the funds for around 100 children and teenagers to receive official primary, secondary, college and university education each year.



Fig. 7 – after school classes in Muenala, Ecuador

In 2014 the education system in Ecuador was completely overhauled in September. With the government's attempt to centralise schools, Huayrapungo, Muenala and Larcacunga were shut down and the children have to travel to schools nearer Otavalo. We now help the communities with these transport costs, daily fruit and materials. We also employ two local teachers back in the communities for after school help and homework as the children get used to larger class sizes.

In the first half of the year we covered daily transport costs for the teachers and some children to get to Huayrapungo and Muenala - over an hour's journey each way. As ever, cultural celebrations were undertaken including Inti Raymi and Día de Difuntos (Day of the Dead) with "colada morada" - a traditional drink made from fruits and maize.

We started planning and introducing more sustainable plans during the year, details of which can be seen in section 7.3 below.

### **7.1 Ecuador costs 2014**

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During the financial period £10,002 (2013 - £12,445) was spent as follows: £4,789 on sustainable plans, £2,667 on local teachers' salaries, £1,533 on teachers' and children's transport, £880 on food and fruit and £133 on local celebrations including Inti Raymi.

### **7.2 Ecuador forecast costs 2015**

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For the next financial year we forecast that the basic running costs for Ecuador will be £5,000 including £2,000 on two local teachers' salaries, £1,500 on transport, £1,000 on daily food and fruit, £300 on cultural celebrations and £200 on educational materials.

We also plan to continue investing in sustainable income plans.

### **7.3 Ecuador sustainable plans**

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We started to introduce sustainable income-generating plans back in 2009 and have continued during 2014 with more investment due to be made in 2015 which will create employment and help to cover project costs.



Fig. 8 – Plan Pollo in Muenala, Ecuador

These include:

Plan Moo – introduced in 2009 with families receiving a cow and the income derived from milk sales and subsequent calves' milk helping to cover secondary school, college and further education costs of the children in the communities.

Plan Cuy (guinea pigs) – this was introduced in 2011 with the building of cuy houses and the rearing of guinea pigs for sale. The income helps with further education costs.

Plan Ironwoman - was started in 2012 with the aim of providing sustainable iron-rich crops for pregnant mothers to fight infant malnutrition. Investment was made in materials, tools and seeds.

Plan Papa - introduced in 2013/14 with the harvests of potatoes. It covered wages though due to problems with the weather, the yield covered costs only. It may be trialled again in 2015.

Plan Huerto (vegetable gardens) - started in 2013 provided regular food for school meals and the community. This will be expanded in 2015.

Plan Pollo (eggs) - introduced in Muenala with the sales of eggs being shared between the communities and the project costs. The old classrooms are being used since centralization of the schools.

## 8.0 Perú

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The Phoenix Projects began work in Perú in both kindergarten and primary schools in the Quechua-speaking desert communities of Triunfo and Maldonado in Sachaca on the outskirts of Arequipa in 2006 and later in Chiguata, Chivay and Machahuaya. Since then we have employed local teachers and cooks so the children could have one hot meal a day as well as fresh fruit. We have built extra classrooms, energy-efficient stoves and kitchens in the schools, awarded materials scholarships for further education and communal water tanks due to the scarcity of water. In 2013 the government became more proactive with food programs and teachers so our work is now concentrated in Maldonado. We aim to provide the funds for around 50 children to receive primary school as well as some through university with our teacher-assistant scheme each year.



Fig. 9 – Ediluz, local teacher in Maldonado, Perú

In 2014 the year started as ever with the reinforcement classes during the school holidays, preparing the children for classes starting in March. Results at the end of the year showed improvement and we plan to employ two or three teacher assistants (our ex-students) to help out in the primary school in 2015.

For the first time in a couple of years we have had the funds to celebrate the anniversary of Maldonado with folkloric dancing, celebrate Mother's Day and restart the school trips, including the hot springs to celebrate the Day of the Student and the end of year day out at the beach; many of the children had never seen the sea before, let alone been in it.

Where we work it rained for just four hours during 2014. Trials began on the school vegetable garden once again though lack of water caused various setbacks.

Discussions over sustainable plans were also held, which can be seen in section 8.3

### **8.1 Perú running costs 2014**

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During the financial period £5,196 (2013 - £1,984) was spent as follows: £2,500 on local teachers' salaries, £1,333 on materials, £1,163 on local celebrations including our annual beach trip for the children and Mother's Day and £200 on sustainable plans.

### **8.2 Perú forecast costs 2015**

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For the next financial year we forecast that the basic running costs for Perú will be £7,000 including £4,400 on four local teachers and assistants, £1,000 on educational materials, £1,000 on cultural celebrations and school trips and £600 on daily food and fruit.

We also plan to continue investing in sustainable income plans.

### 8.3 Perú sustainable plans

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Due to the geography of the region where we work (altitude desert) sustainable agriculture plans are difficult, though we plan to trial Plan Huerto (vegetables) and Plan Negocio (business) with textiles during 2015.



Fig. 10 – Rough terrain in Maldonado, Perú

### 9.0 Fly The Phoenix costs 2014

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During the financial period £1,684 (2013 - £18,742) was spent on running costs of Fly The Phoenix, these being entirely international bank charges. Fly The Phoenix is now run voluntarily by founders Dom and Doreen Williams (as opposed to employing a manager in 2013). No fundraising events were undertaken which involved using some of the funds raised to pay for event costs.

### 9.1 Fly The Phoenix costs 2015

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Fly The Phoenix will continue to be run voluntarily in 2015 with costs only being incurred from international transfers (approx. £1,500).

### 10.0 The Phoenix Projects Management costs 2014

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In 2014, £7,500 (2013 - £0) was used for Project Management including living expenses, internet and transport.

### 10.1 The Phoenix Projects Management costs 2015

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For 2015 we forecast £7,500 will be used for Project Management including living expenses, internet and transport.



## 11.0 Financial Statement

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From 1<sup>st</sup> January 2014 to 31<sup>st</sup> December 2014

	2014	2013
<b>Restricted funds</b>	<b>£140,221.00</b>	<b>£114,761.00</b>
<b>Unrestricted funds</b>	<b>£4,420.00</b>	<b>£13,195.00</b>
<b>Total funds<sup>1</sup></b>	<b>£144,641.00</b>	<b>£127,956.00</b>
<b>Total expenditure</b>	<b>-£138,590.00</b>	<b>-£125,683.00</b>
Guatemala	-£93,500.00	-£74,895.00
Honduras	-£12,777.00	-£7,025.00
Nicaragua	-£7,932.00	-£10,592.00
Ecuador	-£10,002.00	-£12,445.00
Perú	-£5,196.00	-£1,984.00
Project Management	-£7,500.00	£0.00
Administrative costs	-£1,684.00	-£18,742.00
Assets	£0.00	£0.00
Liabilities	£0.00	£0.00
<b>Net Balance</b>	<b>£6,051.00</b>	<b>£2,273.00</b>

<sup>1</sup>Includes Gift Aid

We, as the Board of Trustees, approved this financial statement on 22nd April 2015 and it has been signed by Dominic Williams on our behalf.

Dominic Williams

Trustee





## 12.0 Independent Examiner's Report



# Independent Examiner's Report on the Accounts

Section A		Independent Examiner's Report	
Report to the trustees/members of	Charity Name	FLY THE PHOENIX	
On accounts for the year ended	3 1 1 2 1 4	Charity no (if any)	1 1 4 8 5 3 1
Set out on pages	(remember to include the page numbers of additional sheets)		
<b>Respective responsibilities of trustees and examiner</b>	<p>The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:</p> <ul style="list-style-type: none"> <li>examine the accounts under section 145 of the Charities Act,</li> <li>to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and</li> <li>to state whether particular matters have come to my attention.</li> </ul>		
<b>Basis of independent examiner's statement</b>	<p>My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.</p>		
<b>Independent examiner's statement</b>	<p>In connection with my examination, no matter has come to my attention (<del>other than that disclosed below</del>):</p> <p>(1) which gives me reasonable cause to believe that in, any material respect, the requirements:</p> <ul style="list-style-type: none"> <li>to keep accounting records in accordance with section 130 of the Charities Act;</li> <li>to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or</li> </ul> <p>(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.</p> <p><i>* Please delete the words in the brackets if they do not apply.</i></p>		
Signed		Date	14/09/2015
Name	D. E. LLOYD-OWEN		
Relevant professional qualification(s) or body (if any)			
Address	MANOR COTTAGE LITTLE BARDFIELD ESSEX CM7 4TL		

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March 2012



Give here brief details of any items that the examiner wishes to disclose

The financial information I have received and examined concurs with the bank statements of Fly The Phoenix and also is in accordance with the Fly The Phoenix Report 2014."

R.E.Lhoyd-Owen

The financial information I have received and examined concurs with the bank statements of Fly The Phoenix and also is in accordance with the Fly The Phoenix Report 2014